

IOWA COLLEGE STUDENT AID COMMISSION
Budget Meeting
January 24, 2012

This year the Commission finalized its analysis of program-by-program expenditures. Information about all of the individual program budgets can be found in Appendix B. Detailed information is provided about the state-appropriated programs administered by the Commission, along with information about federal and other programs administered in the Commission's offices. The Commission believes that the efficient administration of state funding is demonstrated by the fact that overall administration amounts to only 2.53 percent of the dollars being provided to students.

Iowa College Student Aid Commission
FY2013 Scholarship and Grant Administrative Budget Summary

Projection Based			Administrator-Based (internal application and recipient selection)					
Tuition Grant Program - Standing	Vocational Technical Tuition Grant	Tuition Grant - For Profit	National Guard Benefits Program	All Iowa Opportunity Scholarships	All Iowa Opportunity Foster Care Grant Program	State Fair	Teacher Shortage Loan Forgiveness Program	Registered Nurse and Nurse Educator Loan

Revenues/Resources:

7 Interest on Fund Balance							1,500		
12 Grant DrawDown from USDE									
14 State Appropriation	43,513,448	2,250,185	4,000,000	3,186,233	2,240,854	554,057	-	392,452	80,852
Total Revenues/Resources	43,513,448	2,250,185	4,000,000	3,186,233	2,240,854	554,057	1,500	392,452	80,852

Expenditures:

15 Personal Services	71,382	3,790	6,641	80,825	56,918	55,344	288	10,175	2,295
17 Travel/State Vehicle	401	21	37	732	515	127	0	90	19
18 Office Supplies	326	17	30	595	419	103	0	73	15
20 Printing and Binding	163	8	15	298	209	52	0	37	8
22 Communications	345	18	32	631	444	110	0	78	16
34 State Reimbursements - Other	227	12	21	414	291	72	0	51	11
35 ITE Reimbursements	232	12	21	424	298	74	0	52	11
36 IntraAgency Reimbursement	91,125	4,712	8,377	166,590	117,161	28,968	78	20,519	4,227
Total Administrative	164,200	8,590	15,173	250,510	176,256	84,851	368	31,075	6,600

% administrative cost to appropriation	0.38%	0.38%	0.38%	7.86%	7.87%	15.31%	24.52%	7.92%	8.16%
Direct Program Admin FTE count	0.83	0.04	0.08	0.80	0.57	0.64	-	0.10	0.02

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Allocation-Based		Forgivable Loans		Subtotal - State Scholarship & Grant Programs	Postsecondary Registration	Other - Federal Programs & DPH				Grand Total
Iowa Grants	Barber and Cosmetology Arts & Sciences	Des Moines University Programs	Forgiveable Loans			Fed Teacher Loan Forgiveness	ETV	JR Justice	Primecarre	

Revenues/Resources:

7	Interest on Fund Balance				1,500	-					1,500
12	Grant DrawDown from USDE				-	-	581,613	85,000			666,613
14	State Appropriation	791,177	36,938	325,973	-	57,372,169	-	-	-	-	57,372,169
Total Revenues/Resources		791,177	36,938	325,973	-	57,373,669	-	581,613	85,000	-	58,040,282

Expenditures:

15	Personal Services	29,508	1,616	29,128	62,595	410,506	194,762	6,802	51,022	15,148	5,555	683,794
17	Travel/State Vehicle	163	8	174	174	2,461	-	-	280		-	2,741
18	Office Supplies	132	6	142	142	2,000		-	50		-	2,050
20	Printing and Binding	66	3	71	71	1,000		-			-	1,000
22	Communications	140	7	150	150	2,122	571	-			-	2,693
34	State Reimbursements - Other	92	4	99	99	1,392	629	-	25		-	2,045
35	ITE Reimbursements	94	4	101	101	1,425	492	-			-	1,917
36	IntraAgency Reimbursement	37,007	1,728	39,657	39,657	559,806	211,902	-			-	771,709
Total Administrative		67,203	3,376	69,521	102,989	980,711	408,357	6,802	51,377	15,148	5,555	1,467,949

% administrative cost to appropriation		8.49%	9.14%	21.33%		1.71%			8.83%	17.82%		2.53%
Direct Program Admin FTE count		0.35	0.02	0.35	0.80	4.60	2.35	0.12	0.64	0.16	0.06	7.93

Iowa College Student Aid Commission
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Footnotes:

Appropriation budget is subject to change once the FY2012 Legislative session closes.

Appropriations are split into categories based on the administrative requirements.

Projection based - ICSAC can rely solely on the FAFSA as the student application for funding. ICSAC produces awarding parameters and communicates the parameters to colleges. Colleges award funds to eligible students as they receive student FAFSAs. Colleges report disbursements to ICSAC according to published reporting schedule for the academic year.

Administrator based - ICSAC cannot rely solely on the FAFSA to make eligibility determinations (these programs have eligibility criteria outside of the data elements retrieved and verified on the FAFSA); thus, another application must be developed and maintained. ICSAC staff receives and processes applications, makes eligibility determinations (this work is completed in separate administrative systems that various outside officials use to verify information and obtain lists of eligible recipients – these systems require annual maintenance and updates), and notifies colleges and applicants of eligibility.

Colleges report disbursements to ICSAC according to published reporting schedule for the academic year.

Allocation based - can rely solely on the FAFSA as the student application for funding. The appropriation for these programs is not sufficient to produce awarding parameters, so allocations are provided to colleges to disburse to their most financially needy students. Colleges report disbursements to ICSAC according to published reporting schedule for the academic year.

Forgivable loans - awards were made to students while they were in school, based on a future career choice. If the student entered a different field, the grant must be repaid. The student then must make payments to ICSAC, until the loan is paid in full. Payment plans can last up to thirty years.

Primecarre - Federal and State funded loan repayment program, administered in conjunction with the Iowa Dept. of Public Health (small administrative allowance received from IDPH)

Federal teacher loan forgiveness – Federally funded loan repayment program, administered by ICSAC (no administrative funding)

ETV - Federally funded grant program, includes administrative funding to cover all costs associated with program

JR Justice - Federally funded loan repayment program, includes 15% administrative cost allowance; this amounted to \$15,000 in FY2012.

Additional personnel, covered by Federal funding, are not shown in the Scholarship & Grant budget. are used to administer S&G programs. J. Molenburg is utilized at 50% of an FTE.

Postsecondary Registration Revenue (General Fund receives the funding for this program) - FY2010: \$12,000; FY2011: \$21,000; FY2012 (projected): \$82,000. FY2013 estimated revenue to be around \$16,000.

Agency FTE counts - Total agency FTE count for FY2013 is 46 distributed as follows: 3.25 College Access Challenge Grant; 3.00 I Have A Plan Iowa; .50 ETV; 4.00 Gear Up; .90 Federal Grant Administration; 13.30 State Program Administration Overhead; 7.93 State Programs; 14.00 FFEL program employees

36 - IntraAgency reimbursements represent the administrative overhead for all of the Iowa College Student Aid Commission (ICSAC). The administrative overhead dollars are distributed to the programs that are administered by ICSAC based on budgeted FTE counts.

36 - Agency overhead includes salaries for personnel that are not specifically associated with a particular program, rent, attorney general fees, auditor of state fees, as well as other costs that cannot be specifically identified to a particular program.

36 - The amount of administrative, overhead dollars that are budgeted to be distributed to the Scholarship and Grant program in FY2013 are \$771,709.

Iowa College Student Aid Commission
FY2013 Scholarship and Grant Administrative Budget Summary

The total administrative agency overhead dollars allocated to state programs follows. A total of 13.30 FTE's are included.

Personal Services	\$ 409,352
Personal Services - Statewide Portal	-
Travel/State Vehicle	34,990
Office Supplies	11,564
Equipment Repairs	490
Printing and Binding	38,151
Postage	8,978
Communications	15,125
Rentals	-
Professional & Scientific Services	565
Outside Services - SLMA	-
Outside Services - iLink	-
Outside Services - SLCS/Misc	-
Outside Services - Other	483
State Transfers	283
Advertising & Publicity	45,031
Attorney General	5,315
State Audits	11,121
State Reimbursements - Rent	24,603
State Reimbursements - Other	8,779
ITE Reimbursements	103,419
IntraAgency Reimbursement	-
Office Equipment	-
IT Equipment & Software	44,503
Other Expenses & Obligations	8,957
Licenses	-
Aid to Individuals - Gear Up Scholarship Trust	-
Total Administrative	771,709

IOWA COLLEGE STUDENT AID COMMISSION

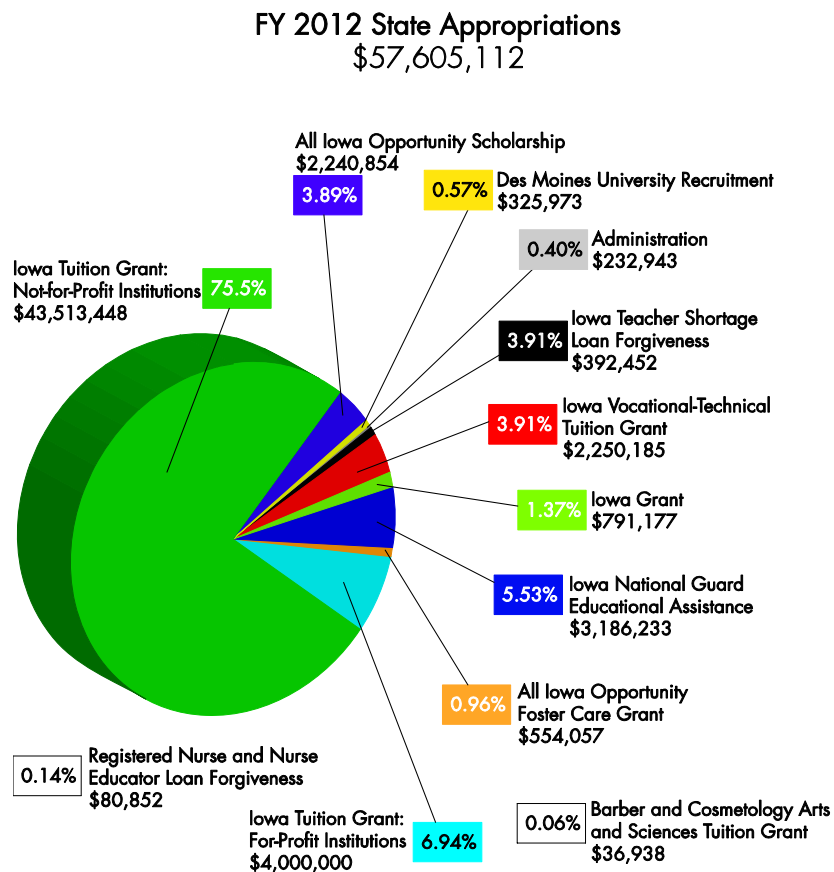
Budget Meeting

January 24, 2012

The Iowa College Student Aid Commission believes in the value of education. Putting students first and helping them afford postsecondary education is the Commission's primary goal. The Commission provides Iowa students with over \$57 million each year in Iowa general fund appropriations through 11 need-based scholarship, grant, and loan forgiveness programs each year.

Through these programs the Iowa College Student Aid Commission ensures Iowa students have access to and a choice of higher education opportunities. The need-based programs helped nearly 26,000 Iowa students meet college expenses in FY 2011. Scholarship and grant dollars assist students pursuing degrees at Iowa colleges and universities; while loan forgiveness funds help repay outstanding federal student loan balances for Iowans employed in specified shortage areas.

The following chart provides the Fiscal Year 2012 appropriations by program and the percentage of the total represented by each appropriation.



While there is always a call for additional need-based student financial aid, the Commission's staff understands the state budget issues and has requested a status quo budget for Fiscal Year 2013. However, because of the need for additional aid, Commissioners recommended increases in several programs during a budget presentation to the Governor. The chart on the following page includes appropriations for Fiscal Year 2012 and the agency and Commission requests for FY 2013 along with the Governor's recommendations.

Commissioners believe that additional funding is needed in the Iowa Tuition Grant Programs, the Iowa Vocational-Technical Tuition Grant Program, the Iowa National Guard Educational Assistance Program, the Iowa College Work-Study Program, and the All Iowa Opportunity Scholarship Program. Commissioners have reviewed the programs administered by the Commission and determined that priority should be given to the All Iowa Opportunity Scholarship Program at the expense of the Iowa Grant Program. Funding for the Iowa Grant Program has decreased over the past several years and, because of the way the program is administered, Commissioners believe the funding would better serve Iowa students through the All Iowa Opportunity Scholarship Program.

IOWA COLLEGE STUDENT AID COMMISSION

	<u>FY2012</u>	<u>FY2013</u>	<u>FY2013</u>	<u>FY2013</u>
<u>State Program</u>	<u>Appropriation</u>	<u>Agency Request</u>	<u>Commission Recommendation</u>	<u>Governor's Recommendation</u>
All Iowa Opportunity Foster Care Grant Program	\$ 554,057	\$ 554,057	\$ 554,057	\$ 554,057
All Iowa Opportunity Scholarship Program	2,240,854	2,240,854	3,032,031	2,240,854
Barber and Cosmetology Arts and Sciences Tuition Grant Program	36,938	36,938	36,938	36,938
Chiropractic Loan Forgiveness Program	-	-	-	-
Iowa College Work-Study Program	-	-	1,000,000	-
Iowa Grant Program*	791,177	791,177	-	791,177
Iowa National Guard Educational Assistance Program	3,186,233	3,186,233	3,525,000	5,686,233
Iowa Teacher Shortage Loan Forgiveness Program	392,452	392,452	392,452	392,452
Iowa Tuition Grant Program -- For-Profit Institutions	4,000,000	4,000,000	4,450,000	4,000,000
Iowa Tuition Grant Program -- Not-for-Profit Institutions	43,513,448	43,513,448	48,513,448	45,513,448
Iowa Vocational-Technical Tuition Grant Program	2,250,185	2,250,185	2,500,185	2,250,185
Des Moines University Recruitment Program	325,973	325,973	325,973	325,973
Registered Nurse and Nurse Education Loan Forgiveness Program	80,852	80,852	80,852	80,852
Administration	232,943	232,943	475,000	232,943
Total Iowa College Student Aid Commission State Funding	\$ 57,605,112	\$ 57,605,112	\$ 64,885,936	\$ 62,105,112

*The Iowa Grant Program has decreased in funding over the past several years. Because of the makeup of the program, Commissioners recommend reallocating the funding from the Iowa Grant Program to the All Iowa Opportunity Scholarship Program.

Iowa's largest need-based grant program, the Iowa Tuition Grant Program for students attending Iowa's not-for-profit private colleges and universities, accounts for 75.5 percent of the state dollars appropriated to the Commission. During FY 2011, Iowa Tuition Grants were awarded to 14,856 students at not-for-profit colleges and universities. The average award during FY 2011 provided only 14 percent of the average cost of tuition and fees at eligible colleges and universities. As the following chart demonstrates, the percentage of tuition and fees covered by the Iowa Tuition Grant has decreased over the past seven years from 18 percent to 14 percent.

Iowa Tuition Grant - Not-for-Profit Colleges and Universities

Fiscal Year	Number of Recipients	Average Award	Maximum Award	Average Tuition and Fees	Average Award as % of Average Tuition and Fees
2005	13,892	3,138	3,875	17,673	18%
2006	13,949	3,197	3,900	18,581	17%
2007	14,409	3,227	4,000	19,537	17%
2008	15,090	3,198	4,000	20,343	16%
2009	14,836	3,218	4,000	21,274	15%
2010	14,485	2,902	3,565	22,315	13%
2011	14,856	3,011	3,700	22,751	14%

The second largest need-based grant program, the Iowa Tuition Grant Program for students attending Iowa's eligible for-profit colleges and universities, accounts for 6.94 percent of the state dollars appropriated to the Commission. During FY 2011, this program assisted 3,585 students, providing 7 percent of the average cost of tuition and fees at Kaplan University and Ashford University. Students at Waldorf College are eligible to receive grants from this program during FY 2012. As the following chart demonstrates, the percentage of tuition and fees covered by the Iowa Tuition Grant for students at for-profit institutions has decreased over the past seven years from 13 percent to 7 percent.

Iowa Tuition Grant - For-Profit Colleges and Universities

Fiscal Year	Number of Recipients	Average Award	Maximum Award	Average Tuition and Fees	Average Award as % of Average Tuition and Fees
2005	2,110	1,583	2,489	12,580	13%
2006	2,656	1,866	2,700	12,580	15%
2007	2,690	1,915	2,800	13,518	14%
2008	2,440	2,202	3,200	14,331	15%
2009	2,403	2,369	3,200	15,049	16%
2010	3,260	1,357	1,865	15,433	9%
2011	3,585	1,150	1,710	15,799	7%

The Iowa Vocational-Technical Tuition Grant Program has long been the state's primary means of providing grant assistance to Iowa students attending Iowa's community colleges. While the amount of funding under this program has slipped from the second highest to only fourth, it remains a primary state source of funding for community college students pursuing degrees in vocational and career option programs. During FY 2011, this program provided funding to 2,966 students, and the average award was 23 percent of the average cost of tuition and fees. As the following chart demonstrates, the percentage of tuition and fees covered by the Iowa Vocational-Technical Tuition Grant for students at community colleges has decreased over the past seven years from 30 percent to 23 percent.

Iowa Vocational-Technical Tuition Grant

Fiscal Year	Number of Recipients	Average Award	Maximum Award	Average Tuition and Fees	Average Award as % of Average Tuition and Fees
2005	2,891	876	1,200	2,904	30%
2006	2,961	855	1,200	3,056	28%
2007	2950	859	1,200	3,236	27%
2008	3,397	819	1,200	3,354	24%
2009	3,211	836	1,200	3,529	24%
2010	2,912	851	1,200	3,713	23%
2011	2,966	826	1,200	3,634	23%

One of Iowa's newest need-based grant programs, the All Iowa Opportunity Scholarship, is available for students attending most Iowa colleges and universities. This program has been funded since FY 2008 and accounts for 3.89 percent of the state dollars appropriated to the Commission. During FY 2011, All Iowa Opportunity Scholarships were provided to 434 students. The average award during FY 2011 was 70 percent of the average cost of tuition and fees at Iowa's Regent universities. As the following chart demonstrates, the percentage of tuition and fees covered by the All Iowa Opportunity Scholarship has decreased since the inception of the program from 79 percent to 70 percent.

All Iowa Opportunity Scholarship

Fiscal Year	Number of Recipients	Average Award	Maximum Award	Regent Average Tuition and Fees	Average Award as % of Average Regent Tuition and Fees
2008	180	4,902	6,269	6,215	79%
2009	640	4,786	6,420	6,427	74%
2010	535	4,447	6,704	6,704	66%
2011	434	5,009	7,141	7,141	70%